

Message Text

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67

ACTION SS-30

INFO OCT-01 ISO-00 SSO-00 /031 W
----- 010063

O R 122358Z FEB 74
FM AMCONSUL RIO DE JANEIRO
TO SECSTATE WASHDC IMMEDIATE 149
INFO AMEMBASSY MEXICO CITY
AMEMBASSY BRASILIA

C O N F I D E N T I A L SECTION 1 OF 4 RIO DE JANEIRO 541

EXDIS

E. O. 11652 GDS
TAGS: PFOR
SUBJ: MEMCON: KUBISCH MEETING WITH BRAZILIAN FOREIGN MINISTER
GIBSON BARBOZA

1. SUMMARY: ASSISTANT SECRETARY KUBISCH, ACCOMPANIED BY AMBASSADOR CRIMMINS AND EATON, MET WITH FOREIGN MINISTER GIBSON BARBOZA AND SECRETARY GENERAL CARVALHO E SILVA FOR TWO AND ONE-HALF HOURS FEB 12 IN SESSION DEDICATED ALMOST EXCLUSIVELY TO DETAILED DISCUSSION OF MEXICO CITY FOREIGN MINISTERS' CONFERENCE.
2. KUBISCH PRESENTED SECRETARY KISSINGER'S LETTER; AND COPIES OF BOTH PANAMA SPEECH AND ENERGY SPEECH, SAID HE WAS IN BRASILIA AT INSTRUCTION OF SECRETARY KISSINGER TO EXCHANGE VIEWS OPENLY AND FULLY ABOUT UPCOMING MFJ, EXPLAINED UNITED STATES VIEWS ON MFJ ALONG LINES PERVIOUS PRESENTATIONS ELSEWHERE, AND EXTENDED SECRETARY'S INVITATION TO GIBSON BARBOZA TO HAVE BILATERAL MEETING TENTATIVELY AT 3:30 PM WEDNESDAY, FEB 20.
2. GIBSON BARBOZA AGREED IMMEDIATELY TO BILATERAL MEETING WHICH HE SAID WAS OF GREAT INTEREST TO HIM. WITH REGARD TO MFJ, HE EXPRESSED PARTICULAR CONCERN OVER THE PLANNED STRUCTURE AND HEAVY SOCIAL PROGRAM, THE IDEA OF A FORMAL DECLARATION OF PRINCIPLES AT THE END, AND THE POSSIBLE TREATMENT
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OF CUBA. DETAILED DISCUSSION OF STRUCTURE BETWEEN KUBISCH AND GIBSON LED TO POSSIBLE CHANGES WHICH WOULD REDUCE SOCIAL ACTIVITIES AND PROVIDE MORE TIME FOR MEANINGFUL EXCHANGES. WHEN IDEA OF FORMAL DECLARATION OF PRINCIPLES AROSE, GIBSON

BARBOZA AT FIRST SAID THERE COULD BE "EITHER A FORMAL DECLARATION OR A DIALOGUE BUT NOT BOTH." HE LATER MODIFIED HIS POSITION TO SAY THAT HE WOULD HAVE TO ACCEPT THE WILL OF THE MAJORITY, AND THAT THERE MIGHT BE A MEANINGFUL FINAL DOCUMENT IF IT WAS LEFT TO THE MEETING ITSELF FOR DRAFTING ACCORDING TO THE UNFOLDING AND RESULTS OF THE MEETING, RATHER THAN "PRE-COOKED" IN A MANNER WHICH WOULD DICTATE THE COURSE OF THE MEETING IN ADVANCE. ON CUBA, GIBSON WAS REASSURED BY U.S. POSITION STATED BY KUBISCH, BUT CONCERNED OVER UNRAVELING THAT MIGHT OCCUR IF EXCEPTIONS TO U.S. REGULATIONS WERE MADE FOR U.S. SUBSIDIARIES IN ARGENTINA EXPORTING TO CUBA UNDER ARGENTINE CREDIT. AFTER LENGTHY DISCUSSION, HE SUGGESTED POSSIBILITY OF CONSIDERATION OF U.S. SUBSIDIARY ISSUE AT APRIL OAS MEETING, AFTER APPROPRIATE GROUNDWORK (OF ADVANCE CONSULTATIONS) HAD BEEN LAID.

4. GIBSON RAISED POSSIBILITY THAT UNITED STATES MIGHT COMMIT ITSELF IN PRINCIPLE TO NO NEW TRADE RESTRICTIONS IN THE PERIOD OF BALANCE OF PAYMENTS DIFFICULTIES CAUSED BY INCREASED ENERGY COSTS, AND WAS OBVIOUSLY PLEASED WHEN KUBISCH SAID THIS SORT OF IDEA COULD BE CONSIDERED.

5. GIBSON THOUGHT MAIN CONFRONTATIONAL ISSUE LIKELY TO ARISE AT CONFERENCE BESIDES CUBA WAS ECONOMIC COERCION, AND AFTER HEARING FROM KUBISCH A DESCRIPTION OF HIS EXCHANGE WITH PERUVIAN FOREIGN MINISTER DE LA FLOR ON THIS SUBJECT, SAID HE WAS IN ACCORD WITH U.S. (AND NOT PERUVIAN) VIEWS.

6. AT END OF MEETING, GIBSON EXPRESSED INTEREST IN PLANS OF SECRETARY KISSINGER TO VISIT LATIN AMERICA, AND IN UNITED STATES DELEGATION TO BRAZILIAN INAUGURAL. END SUMMARY.

7. AFTER USUAL PLEASANTRIES MEETING OPENED WITH BRIEF DISCUSSION OF PANAMA. GIBSON CHARACTERIZED SIGNING OF AGREED PRINCIPLES AS GREAT WORK OF STATESMANSHIP ON PART OF UNITED STATES. HE SAID HE NOTED THAT VASQUEZ OF CONFIDENTIAL

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COLOMBIA SEEMED TO HAVE ENTERED A RESERVATION. WHEN NATURE OF VASQUEZ' POSITION WAS DESCRIBED TO HIM, HE CONCLUDED IT WAS NOT SERIOUS. CARVALHO E SILVA NOTED THAT PERU WAS CONCERNED OVER THE CANAL RATE INCREASE.

8. TURNING TO THE MFM, GIBSON ASKED IF KUBISCH GOING IN ADVANCE TO MEXICO CITY, TO WHICH KUBISCH REPLIED HE WAS NOT.

9. KUBISCH THEN EXPLAINED HIS MISSION. HE SAID SECRETARY KISSINGER HAD INSTRUCTED HIM TO MAKE THIS TRIP FOR CONSULTATIONS AND TO SPEAK FRANKLY AND OPENLY IN HIS CONVERSATION WITH GIBSON. HE SAID SECRETARY KISSINGER VERY

MUCH WANTED TO IMPORVE OUR RELATIONSHIPS WITH LATIN AMERICA. HE HAD STARTED ON THIS COURSE BY UNDERTAKING TO RESTUDY THE SITUATION AND U.S. POLICIES THOROUGHLY AND TO ENTER INTO A TRUE DIALOGUE IN WHATEVER MANNER AND PLACE LATIN AMERICA MIGHT DESIRE. IT BECAME CLEAR, HOWEVER, THAT THE U.S. SHOULD MAKE MORE OF AN INPUT AT THIS STAGE FOR THE UPCOMING MEXICO CONVERENCE TO BE FULLY SUCCESSFUL. THIS WAS WHY KUBISCH, AND ALSO DEPUTY ASSISTANT SECRETARIES BOWDLER AND SHLAUDEMANN, WERE TRAVELING TO HOLD CONSULTATIONS WITH OUR AMBASSADORS AND CHARGES AND, EITHER DIRECTLY OR THROUGH OUR CHIEFS OF MISSION, WITH FOREIGN MINISTERS. KUBISCH SAID HE WAS PREPARED TO DISCUSS ANYTHING WITH GIBSON AND TO REPORT FULLY TO THE SECRETARY ON THE CONVERSATIONS HE THEN HANDED GIBSON SECRETARY KISSINGER'S LETTER AND COPIES OF PANAMA AND ENERGY SPEECHES.

10. KUBISCH STARTED TO OPEN HIS NEXT THOUGHT BY SAYING THAT WE SHOULD NOT EXPECT ANYTHING ESPECIALLY SPECTACULAR FROM MEXICO CITY, AND GIBSON IMMEDIATELY TOOK THIS UP BY SAYING HE DIDN'T THINK ANYONE DID.

11. KUBISCH THEN SAID, HOWEVER, THAT THE UNITED STATES HOPED THERE WOULD BE A SIGNIFICANT CHANGE IN TONE, CLIMATE AND DIRECTION. SUCH A CHANGE WOULD NOT ONLY BE HELPFUL IN OUR BASIC RELATIONSHIPS BUT ALSO IN THE ACHEIVING OF POSITIVE ACTIONS IN THE UNITED STATES THAT WOULD NOT OTHERWISE BE POSSIBLE.

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12. KUBISCH SAID THAT SECRETARY KISSINGER THOUGHT IT WOULD BE PARTICULARLY USEFUL TO HAVE A PRIVATE BILATERAL EXCHANGE OF VIEWS AT THE MEETING WITH GIBSON AS SOON AS POSSIBLE AFTER THE SECRETARY'S ARRIVAL IN MEXICO CITY ON FEB 20.
BOONSTRA

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ACTION SS-30

INFO OCT-01 ISO-00 SSO-00 /031 W
----- 010297

O R 122358Z FEB 74
FM AMCONSUL RIO DE JANEIRO
TO SECSTATE WASHDC IMMEDIATE 150
INFO AMEMBASSY MEXICO CITY
AMEMBASSY BRASILIA

C O N F I D E N T I A L SECTION 2 OF 4 RIO DE JANEIRO 541

EXDIS

E. O. 11652 GDS

TAGS: PFOR

SUBJ: MEMCON: KUBISCH MEETING WITH BRAZILIAN FOREIGN MINISTER
GIBSON BARBOZA

THIS WOULD BE THE SECRETARY'S FIRST BILATERAL AND MIGHT BE SET TENTATIVELY FOR 3:30 P.M. GIBSON WAS VERY PLEASED AND IMMEDIATELY AGREED IN PRINCIPLE - "PROVIDED THAT VASQUEZ CARRIZOSA OF COLOMBIA WASN'T MAKING THEN CHANGE THE WORLD AT THAT TIME." GIBSON CONFIRMED THAT HE EXPECTED TO STAY AT THE CAMINO REAL.

13. THERE THEN FOLLOWED A VERY LENGTHY DISCUSSION OF THE STRUCTURE OF THE MEETING. KUBISCH FIRST DESCRIBED THE GENERAL STRUCTURE THAT HAD TENTATIVELY BEEN AGREED TO BETWEEN SECRETARY KISSINGER AND RABASA. GIBSON SAID HE UNDERSTOOD THAT THINKING NOW WAS THAT SECRETARY KISSINGER'S OPENING REMARKS IN CLOSED SESSION WOULD BE FOLLOWED BY A PERIOD IN WHICH ANY LATIN AMERICAN FOREIGN MINISTER WHO WISHED COULD ASK FOR CLARIFICATION OF POINTS. THERE WOULD THEN BE A RECESS DURING WHICH LATIN AMERICANS WOULD CAUCUS AND DECIDE THEIR NEXT STEP. THERE MIGHT BE DESIGNATED SPOKESMEN FOR THE FOLLOWING SESSION WITH SECRETARY KISSINGER BUT THIS WAS NOT CLEAR. AFTER CONSIDERABLE DISCUSSION GIBSON SEEMED TO PREFER THE IDEA OF AN AGREED BRIEF LATIN AMERICAN STATEMENT IN REPLY TO SECRETARY KISSINGER ON EACH CONFIDENTIAL

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OF THE EIGHT AGENDA ITEMS BY A DIFFERENT SPOKESMAN FOR EACH ITEM. THESE STATEMENTS WOULD BE MADE AFTER A LATIN AMERICAN CAUCUS, AND ANY LATIN AMERICAN FOREIGN MINISTER WHO HAD VIEWS DIFFERING FROM THE SPOKESMAN'S STATEMENT WOULD BE FREE TO STATE THEM (HOPEFULLY, VERY BRIEFLY).

14. GIBSON THEN PROUCED A SCHEDULE PROPOSED BY MEXICO WHICH WAS SO FULL OF SOCIAL ENGAGEMENTS THAT IF FOLLOWED, WOULD LEAVE VERY LITTLE TIME FOR SUBSTANTIVE DISCUSSION. HE CHARACTERIZED IT AS "STUPID AND KILLING". IT STARTED WITH EACH FOREIGN MINISTER LAYING A WREATH AT 8:30 THURSDAY MORNING AND INCLUDED OVER THE THREE-DAY PERIOD ENDING SATURDAY NIGHT AT A LUNCH GIVEN BY PRESIDENT ECHEVERRIA, A RECEPTION ONE NIGHT AND A DINNER THE NEXT GIVEN BY RABASA, AND ONE RETURN LUNCH AND ONE RETURN DINNER GIVEN BY THE FOREIGN MINISTERS FOR RABASA. GIBSON WAS HORRIFIED BY THE WASTE OF VALUABLE TIME INVOLVED IN SOCIAL ENGAGEMENTS. AFTER DISCUSSION, HE CONCLUDED THAT HE WOULD PROPOSE THE LAYING OF ONE WREATH BY A FOREIGN MINISTER DESIGNATED TO REPRESENT THE GROUP AT 8:30 A.M. THURSDAY TO BE FOLLOWED BY THE BEGINNING OF THE OPENING SESSION OF THE MEETING AT

9:30. IN THIS WAY THE THREE SPEECHES IN THE FIRST OPEN SESSION AND POSSIBLY SECRETARY KISSINGER'S FIRST PRESENTATION IN CLOSED SESSION COULD BE COMPLETED BEFORE PRESIDENT ECHEVERRIA'S LUNCH AT 2:00 P.M. THE LATIN AMERICAN FOREIGN MINISTERS COULD CAUCUS AFTER LUNCH FROM 4:30 OR 5:00 TO 7:00 P.M. AND MAKE THEIR INITIAL AGREED REPLIES TO SECRETARY KISSINGER IN A CLOSED SESSION FROM 7:00 TO 9:00 P.M., IF RABASA COULD BE PERSUADED TO CANCEL HIS RECEPTION SCHEDULED FOR THAT EVENING. ON FRIDAY, HOPEFULLY ALL SOCIAL ENGAGEMENTS MIGHT BE CANCELLED, THE MORNING DEVOTED TO DIALOGUE ON THE FIRST EIGHT ITEMS OF THE AGENDA, AND THE AFTERNOON TO SECRETARY KISSINGER'S PRESENTATION ON THE LAST TWO ITEMS AND FOLLOWING DIALOGUE. GIBSON ASKED HOW SECRETARY KISSINGER PLANNED TO DEAL WITH THE ENERGY ITEM. KUBISCH SAID THE SECRETARY HADN'T FULLY DECIDED AND THIS WOULD PROBABLY DEPEND TO SOME EXTENT ON THE ENERGY CONFERENCE NOW GOING ON IN WASHINGTON. GIBSON MUSED FOR A MOMENT ABOUT THE POSSIBILITY OF SECRETARY KISSINGER'S MAKING AN INITIAL PRESENTATION COVERING ALL TEN ITEMS, INSTEAD OF JUST THE FIRST EIGHT, ON THURSDAY TO SAVE CONFIDENTIAL

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TIME AND TO GIVE THE LATIN AMERICANS TIME TO CAUCUS ON THE LAST TWO ITEMS. THIS THOUGHT WAS DISCARDED WHEN CARVALHO E SILVA POINTED OUT THAT THE LATIN AMERICANS WOULD HAVE DIFFICULTY IN REACHING A CONSENSUS ON ENERGY. WITH THE ABOVE-DESCRIBED SCHEDULE HAVING BEEN FOLLOWED ON THURSDAY AND FRIDAY, SATURDAY WOULD BE LEFT OPEN FOR ANY LEFTOVER BUSINESS, THE FINAL OPEN SESSION, AND FOR SOCIAL ENGAGEMENTS. KUBISCH ASKED IF SECRETARY KISSINGER SHOULD OFFER SOCIAL ENGAGEMENT, AND GIBSON SUGGESTED THAT IT WOULD BE PREFERABLE THAT HE NOT THUS SINGLE HIMSELF OUT FROM THE OTHER FOREIGN MINISTERS.

15. THE CONVERSATION THEN TURNED TO THE FINAL DOCUMENT. GIBSON WAS STRONGLY OPPOSED TO A FINAL DECLARATION OF PRINCIPLES. HE SAID INTER-AMERICAN MEETINGS HAD TOO MANY SUCH DECLARATIONS WHICH WERE MEANINGLESS. IF THERE WERE TO BE ONE, IT WOULD HAVE TO BE WORKED OUT IN ADVANCE AND THUS WOULD ESTABLISH THE TONE AND CONTENT OF THE MEETING BEFORE IT BEGAN. FOR EXAMPLE, BRAZIL WOULD FIND IT IMPOSSIBLE TO AGREE WITH PERU ON ITS PET PHRASES. THE ATTEMPT TO PRODUCE AN AGREED DECLARATION OF PRINCIPLES WOULD TAKE UP THE WHOLE MEETING AND THERE WOULD BE NO DIALOGUE. THE ISSUE WAS THUS ONE OF HAVING EITHER A DECLARATION OR A DIALOGUE. GIBSON SAID THAT CONSEQUENTLY BRAZIL'S REPRESENTATIVES WOULD BE LOBBYING AGAINST A DECLARATION OF PRINCIPLES. HE ASKED THE REACTION OF OTHERS. KUBISCH RESPONDED THAT RABASA WANTED A FINAL DOCUMENT AND THAT THE SECRETARY AGREED. VASQUEZ HAD ORIGINALLY SUGGESTED A DECLARATION OF INTENTIONS, AND THE PERUVIAN, CHILEAN AND ARGENTINE FOREIGN MINISTERS ALL

SEEMED TO FAVOR SOME FORMAL FINAL DOCUMENT.

16. GIBSON BARBOZA SAID THAT A DECLARATION OF INTENTIONS WOULD TURN OUT TO BE A DECLARATION OF UNITED STATES INTENTIONS. HE ADDED THAT OF COURSE HE WOULD HAVE TO AGREE TO SOME FORMAL FINAL DOCUMENT IF EVERYBODY ELSE WANTED ONE.

17. GIBSON THEN TURNED TO WHAT WAS OBVIOUSLY AN IMPORTANT POINT FOR HIM. HE ASKED WHETHER THE UNITED STATES (THE "EXECUTIVE BRANCH", HE SAID) COULD AGREE IN PRINCIPLE TO CONFIDENTIAL

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MAKE ITS BEST EFFORTS TO AVOID NEW TRADE RESTRICTIONS IN THE PERIOD OF CRISIS PRODUCED BY INCREASED ENERGY COSTS. WHEN KUBISCH SAID WE MIGHT CONSIDER THIS, GIBSON'S ATTITUDE ABOUT A FINAL DOCUMENT SEEMED TO SOFTEN. BUT HE SAID IT WOULD BE BEST NOT TO SET THE DOCUMENT IN CONCRETE BEFORE THE MEETING. RATHER IT WOULD BE BEST TO DECIDE ON JUST WHAT SORT OF DOCUMENT IT WOULD BE AND THE FORM IT WOULD TAKE AS THE MEETING PROGRESSED. IN THAT WAY ITS PREPARATION WOULD NOT INHIBIT THE MEETING AND IT WOULD CAPTURE MORE OF THE TRUE SENSE OF THE MEETING. HE LIKED THE IDEA, SUGGESTED BY KUBISCH, OF INCLUDING SPECIFIC IDEAS ON BOTH TRADE AND TECHNOLOGY IN THE DOCUMENT.
BOONSTRA

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ACTION SS-30

INFO OCT-01 ISO-00 SSO-00 /031 W
----- 010456

O R 122358Z FEB 74
FM AMCONSUL RIO DE JANEIRO
TO SECSTATE WASHDC IMMEDIATE 151
INFO AMEMBASSY MEXICO CITY
AMEMBASSY BRASILIA

C O N F I D E N T I A L SECTION 3 OF 4 RIO DE JANEIRO 541

EXDIS

E. O. 11652 GDS
TAGS: PFOR
SUBJ: MEMCON: KUBISCH MEETING WITH BRAZILIAN FOREIGN MINISTER
GIBSON BARBOZA

18. KUBISCH THEN ASKED WHETHER GIBSON THOUGHT THERE

MIGHT BE A CONFRONTATION IN MEXICO AND, IF SO, BY WHOM, ON THAT ISSUES, AND FOR THAT PURPOSES.

19. GIBSON SAID THAT THE COUNTRIES THAT MATTERED DID NOT WANT CONFRONTATION, BUT IN THE FOLLOWING DISCUSSION HE EXPRESSED CONCERN OVER TWO POINTS. THE FIRST ONE WAS THAT SOMEONE WOULD PROBABLY RAISE CUBA, AND THAT SUBJECT MIGHT TAKE UP TWO OR THREE HOURS OF THE MEETING. THE SECOND ONE WAS THAT PERU WAS LIKELY TO PRESS THE ISSUE OF ECONOMIC COERCION.

20. IN RESPONSE TO GIBSON'S INTEREST IN CUBA, KUBISCH SAID SECRETARY KISSINGER HAD PREVIOUSLY SAID PUBLICLY AND PRIVATELY OF LATE THAT THERE HAS BEEN NO CHANGE IN THE UNITED STATES POLICY. MOREOVER, FOREIGN MINISTER HUERTA IN CHILE MADE IT CLEAR TO KUBISCH THAT IF CUBA COMES UP AT MEXICO CITY, CHILE WILL PROPOSE A RESOLUTION CONDEMNING INTERVENTION. KUBISCH SAID HE THOUGHT GIBSON MIGHT WANT TO DISCUSS CUBA WITH SECRETARY KISSINGER IN MEXICO CITY.

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21. KUBISCH THEN DESCRIBED IN DETAIL FOR GIBSON THE PROBLEM ENCOUNTERED BY U.S. SUBSIDIARIES IN ARGENTINA WHICH WERE BEING PRESSED TO EXPORT TO CUBA UNDER AN ARGENTINE CREDIT TO CUBA. HE SAID THE U.S. GOVT WAS CONSIDERING THE POSSIBILITY OF ONE OR MORE WAIVERS TO THESE FIRMS IN HIGHLY EXCEPTIONAL CASES. IT HAD NOT YET REACHED A DECISION, HOWEVER; AND, IF IT DID DECIDE TO ISSUE A FEW EXCEPTIONAL WAIVERS THIS WOULD NOT REPRESENT ANY CHANGE IN UNITED STATES POLICY TOWARD CUBA.

22. GIBSON SAID THIS WAS A VERY DELICATE ISSUE AS HE HAD SAID IN A LETTER TO SECRETARY KISSINGER AND ORALLY TO AMBASSADOR CRIMMINS. IF THE UNITED STATES RELAXES, THE WHOLE SYSTEM OF TRADE EMBARGO MIGHT UNRAVEL.

23. AMBASSADOR CRIMMINS POINTED OUT THAT THERE HAD BEEN ELEVEN OR TWELVE PREVIOUS CASES OF WAIVERS. THEREFORE A DECISION TO GRANT A WAIVER IN THE ARGENTINE CASE WOULD NOT BE A PRECEDENT. GIBSON ASKED WHAT COUNTRIES HAD BEEN INVOLVED IN THE PAST AND WHEN TOLD THEY WERE SPAIN, THE U.K, AND CANADA POINTED OUT THAT THESE COUNTRIES WERE OUTSIDE THE INTER-AMERICAN SYSTEM. GIBSON ALSO ARGUED THAT ARGENTINA CANNOT CLAIM EXTRA-TERRITORIALITY WITH US BECAUSE ARGENTINA HAS CONTRAVENED THE OAS RESOLUTIONS. KUBISCH AND CRIMMINS POINTED OUT THAT IN THE END UNITED STATES FIRMS WOULD SUFFER WHILE CUBA WOULD GET THE GOODS ANYWAY. GIBSON RETURNED TO THE POINT THAT THIS ACT ON THE PART OF THE U.S. COULD BE CONSTRUED AS A "GREEN LIGHT" FOR OTHER VIOLATIONS. AMBASSADOR CRIMMINS

AGAIN POINTED OUT HIS UNDERSTANDING THAT THE FINAL DECISION HAD NOT BEEN MADE AND WAIVERS WOULD BE ISSUED ONLY GRUDGINGLY IF AT ALL. THEY WOULD NOT BE ISSUED IN SUCH A WAY AS TO SEEM TO BE INVITATIONS TO FURTHER VIOLATIONS. WHEN GIBSON AGAIN EXPRESSED HIS CONCERN OVER THE PRECEDENT, KUBISCH SAID THAT HIS VIEWS WOULD BE CONVEYED CAREFULLY AND PROMPTLY TO SECRETARY KISSINGER.

24. GIBSON THEN MADE A RATHER STARTLING POINT, SPEAKING AS THOUGH HE WERE THINKING OUT LOUD. HE SAID THAT PERHAPS THE U.S. SUBSIDIARY ISSUE AS RELATED
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TO THE MFM RESOLUTIONS MIGHT USEFULLY BE DEBATED AT THE APRIL OAS MEETING THUS TAKING ANY ONUS OFF THE U.S. ACTING UNILATERALLY. HE IMMEDIATELY HESITATED AND ASKED CARVALHO E SILVA'S VIEW. CARVALHO E SILVA WAS SKEPTICAL.

25. GIBSON SAID THAT ANOTHER ISSUE THAT COULD CAUSE A PROBLEM AT THE MFM MEETING WAS THAT OF "ECONOMIC AGRESSION". HE ASKED WHAT THE PERUVIAN FOREIGN MINISTER HAD SAID TO KUBISCH ON THIS POINT. KUBISCH REVIEWED IN DETAIL BOTH WHAT THE PERUVIAN HAD SAID AND WHAT THE HAD REPLIED. GIBSON SAID HE AGREED WITH THE U.S. POSITION ON THIS ISSUE.

26. CARVALHO E SILVA ASKED ABOUT THE POSSIBILITY OF A REGIONAL INVESTMENT GUARANTY FUND WHICH HE SAID FACIO OF COSTA RICA HAD SUGGESTED AT BOGOTA BUT WHICH HAD BEEN DROPPED. KUBISCH SAID THAT THE U.S. WOULD CERTAINLY BE RECEPTIVE TO SUCH AN IDEA. KUBISCH FOLLOWED UP BY ASKING ABOUT THE POSSIBILITY OF A REGIONAL INVESTMENT DISPUTE SETTLEMENT MECHANISM. GIBSON RESPONDED THAT IT WAS TOO COMPLICATED FOR AGREEMENT AT MEXICO CITY AND WAS NOT LIKELY TO PROSPER. HE AGREED, HOWEVER, THAT IT MIGHT BE A SUBJECT TO BE TURNED OVER TO A WORKING GROUP FOR STUDY AND FOLLOW UP.

27. BOTH KUBISCH AND GIBSON EXPRESSED THE HOPE AND EXPECTATION THAT ARGENTINA WOULD PLAY A REASONABLY POSITIVE ROLE AT THE MEXICO CITY MFM.

28. THERE WAS THEN AN EXCHANGE OF INFORMATION ON COMPOSITION OF DELEGATIONS AND DISCUSSION OF WHAT WOULD BE SAID TO THE PRESS.

29. BEFORE THE MEETING ENDED GIBSON ASKED ABOUT SECRETARY KISSINGER'S TRAVEL PLANS TO LATIN AMERICA AND ALSO THE UNITED STATES DELEGATION TO THE BRAZILIAN INAUGURATION. HE SAID HE HAD READ A REPORT THAT SECRETARY KISSINGER WOULD BE MAKING A VISIT TO LATIN AMERICA BUT NOT TO BRAZIL. KUBISCH SAID SECRETARY KISSINGER WAS PLANNING ONE OR MORE

VISITS TO LATIN AMERICA LATER IN THE YEAR, PERHAPS AS
EARLY AS MAY, AND THAT HE WANTED VERY MUCH TO ACCEPT THE
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INVITATION TO COME TO BRZIL. WITH REGARD TO THE
INAUGURATION DELEGATION HE SAID AN APPROPRIATE DELEGATION
WAS NOW BEING CONSIDERED BUT THAT SECRETARY KISSINGER
ALMOST CERTAINLY WOULD NOT BE ABLE TO HEAD THE
DELEGATION BECAUSE OF OTHER COMMITMENTS.
BOONSTRA

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13
ACTION SS-30

INFO OCT-01 ISO-00 SSO-00 /031 W
----- 010487

O R 122358Z FEB 74
FM AMCONSUL RIO DE JANEIRO
TO SECSTATE WASHDC IMMEDIATE 152
INFO AMEMBASSY MEXICO CITY
AMEMBASSY BRASILIA

C O N F I D E N T I A L SECTION 4 OF 4 RIO DE JANEIRO 541

EXDIS

E. O. 11652 GDS
TAGS: PFOR
SUBJ: MEMCON: KUBISCH MEETING WITH BRAZILIAN FOREIGN MINISTER
GIBSON BARBOZA

30. COMMENT: THIS WAS AN EXTREMELY FRANK, FRIENDLY
AND USEFUL CONVERSATION. GIBSON WAS RIGHTLY CONCERNED
ABOUT THE STRUCTURE OF THE MFM AND HAS COME UP WITH SOME
GOOD IDEAS IN THIS REGARD. HE STARTED OUT VERY
OPPOSED TO ANY FORMAL DOCUMENT OF SUBSTANCE AS A FINAL
RESULT OF THE MEETING BUT FELL BACK TO A SOFTER POSITION
ON THIS ISSUE BEFORE THE DISCUSSION ENDED. HE IS MUCH
CONCERNED ABOUT WHAT MAY HAPPEN ON CUBA AND PUT FORTH
A TENTATIVE SUGGESTION FOR OAS CONSIDERATION OF THE U.S.
SUBSIDIARY ISSUE AS IT RELATES TO CUBAN SANCTIONS. HE
MAY DISOWN THIS THOUGHT UPON REFLECTION. HE WAS PLEASED
THAT WE WOULD CONSIDER HIS GENERALLY STATED FORMULATION
ON THE PRINCIPLE OF NOT IMPOSING TRADE RESTRICTIONS
DURING THE CRISIS PERIOD RESULTING FROM HIGH ENERGY PRICES.
(HE PROBABLY HAS THE COUNTERVAILING DUTY ON SHOES ISSUE--
WHICH IS BEING REPORTED SEPARTELY--IN THE BACK OF HIS
MIND IN PROPOSING THIS IDEA.) HE INDICATED HE WOULD

BE HELPFUL ON THE ECONOMIC COERCION ISSUE.

31. BRAZIL WILL FIELD--AS USUAL-- A VERY STRONG, ARTICULATE
AND ENLIGHTENED DELEGATION IN MEXICO. WE ARE FORTUNATE
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INDEED TO HAVE SUCH A STRONG AND EFFECTIVE WORKING
RELATIONSHIP WITH THEM, AND THAT THEIR VIEWS AND OURS
COINCIDE SO CLOSELY ON MAJOR ISSUES. LIKE US, HOWEVER,
THEY CARRY SOMETHING OF A HANDICAP AMONG THE SMALLER
LATIN AMERICAN COUNTRIES BECAUSE OF THEIR SIZE,
POWER AND SKILL. GIBSON REALIZES, AS DO WE, THAT WE
MUST COOPERATE CLOSELY AT MEXICO BUT AVOID AT ALL COSTS THE
APPEARANCE OF AN "AXIS" OR OF GANGING UP ON THE SMALLER
AND WEAKER DELEGATIONS--OR WE'LL BOTH REGRET IT.
BOONSTRA

CONFIDENTIAL

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: Z
Capture Date: 11 JUN 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 12 FEB 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974IODE00541
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: n/a
From: RIO DE JANEIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740267/abbryzfr.tel
Line Count: 506
Locator: TEXT ON-LINE
Office: n/a
Original Classification: CONFIDENTIAL
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 10
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: EXDIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 10 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 SEP 2002 by kelleyw0>; APPROVED <09 DEC 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MEMCON: KUBISCH MEETING WITH BRAZILIAN FOREIGN MINISTER GIBSON BARBOZA
TAGS: PFOR
To: STATE INFO MEXICO CITY
BRASILIA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005